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March 4, 2022

PRIVILEGED AND CONFIDENTIAL
SUBMITTED VIA U.S. FIRST CLASS CLASS MAIL & E-MAIL

Office of the Attorney General
Consumer Protection and Antitrust
Gateway Professional Center
1050 E Interstate Avenue, Suite
200 Bismarck, ND 58503-5574
Email: ndag@nd.gov

Re: Security Breach Notification

Dear Attorney General Stenehjem,

We are writing on behalf of our client, Kanuga Conference Center (“Kanuga”)(located at 130 Kanuga Chapel Dr, Hendersonville, NC 28739), to notify you of a data security incident involving one (1) North Dakota resident.¹

Nature

On January 20, 2022, Kanuga discovered that they were the victim of a sophisticated ransomware attack that resulted in encryption and unauthorized access to their network. At that time, Kanuga took immediate steps to stop the threat and understand the full scope of the situation. This included hiring third-party forensic experts to conduct a thorough investigation, remediation efforts, and contacting the FBI to seek assistance with the incident. The investigation determined that unauthorized access likely began on or around January 19, 2022, via a vulnerability in an exchange server.

Concurrent to its investigation, Kanuga began a comprehensive search of the data to determine what information was involved and the individuals the incident impacted. Kanuga recently concluded its review and determined that the incident involved personal information related to one Maine residents. *However, as of now, there is no evidence indicating identity theft or financial harm involving any of the information.*

The types of information involved are first and last names, addresses, Social Security Numbers, health insurance plan names, health insurance policy numbers, and health insurance claims information.

¹ By providing this notice, Kanuga does not waive any rights or defenses regarding the applicability of North Dakota law, the applicability of the North Dakota data event notification statute, or personal jurisdiction.

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Notice and Kanuga's Response to the Event

On March 4, 2022, Kanuga will mail a written notification to the potentially affected North Dakota residents, pursuant to N.D. Cent. Code § 51-30-01, in a substantially similar form as the enclosed letter (attached as Exhibit A).

Additionally, Kanuga is providing these potentially impacted individuals the following:

- Free access to credit monitoring services for one year through Kroll;;
- Guidance on ways to protect against identity theft and fraud, including steps to report any suspected activities or events of identity theft or fraud to their credit card company and/or bank.
- The appropriate contact information for the consumer reporting agencies along with information on how to obtain a free credit report and place a fraud alert and security freeze on their credit file;
- A reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports; and
- Encouragement to contact the Federal Trade Commission and law enforcement to report attempted or actual identity theft and fraud.

Further, Kanuga provided the notice to the three nationwide consumer reporting agencies along with the applicable government regulators, officials, and other Attorneys General (as necessary).

Finally, Kanuga is working to implement any necessary additional safeguards, enhance and improve its policies and procedures related to data protection, improve its cybersecurity infrastructure, and further train its employees on best practices to minimize the likelihood of this type of incident occurring again.

Contact Information

If you have any questions or wish to discuss this event further, please do not hesitate to call me on my direct dial (410) 832-8002 or email me at spollock@wtplaw.com.

Sincerely Yours,

A handwritten signature in blue ink, appearing to read "Spencer S. Pollock".

Spencer S. Pollock, Esq., CIPP/US, CIPM

EXHIBIT A



<<Date>> (Format: Month Day, Year)

<<first_name>> <<middle_name>> <<last_name>> <<suffix>>
<<address_1>>
<<address_2>>
<<city>>, <<state_province>> <<postal_code>>
<<country>>

Re: Notice of Data Breach

Dear <<first_name>> <<middle_name>> <<last_name>> <<suffix>>,

At Kanuga Conference Center, we value transparency and respect the privacy of your information, which is why, as a precautionary measure, we are writing to let you know about a data security incident that may involve some of your protected health or personal information, what we did in response, and steps you can take to help protect yourself against possible misuse of the information.

What Happened

On January 20, 2022, we discovered that we were the victim of a sophisticated cyber-attack. After discovering the incident, we quickly took steps to secure and safely restore our systems and operations. Further, Kanuga immediately engaged independent third-party forensic and incident response experts to conduct a thorough investigation of the incident's nature and scope and assist in remediation efforts. We are still working to determine when the incident began.

Concurrent to the investigation, we began a comprehensive review of the information that might be involved. We recently concluded our initial review and determined that the impacted information included some of your information. ***However, as of now, we have no evidence indicating any of your information has been used for identity theft or financial fraud.*** Regardless, we wanted to notify you of the incident out of an abundance of caution and provide you with information on how to best protect yourself from identity theft and fraud.

What Information Was Involved

The types of information potentially involved (only if you provided us this information) are your first and last name and Social Security number.

What We Are Doing

As explained above, we took immediate steps to secure our systems and engaged third-party forensic experts to assist in the investigation. Further, in response to this incident, we are working with external counsel and independent cybersecurity experts to assess and implement additional cybersecurity safeguards as needed, enhance our employee cybersecurity training, and improve our cybersecurity policies, procedures, and protocols to help minimize the likelihood of this type of incident occurring again.

What You Can Do

The security and privacy of the information contained within our systems is a top priority for us. Therefore, while we have no evidence indicating your information was misused, we strongly recommend that you remain vigilant, monitor and review all of your financial and account statements, and report any unusual activity to the institution that issued the record and law enforcement. In addition, please see “***OTHER IMPORTANT INFORMATION***” on the following pages for guidance on how to best protect your identity.

To help relieve concerns and restore confidence following this incident, we have secured the services of Kroll to provide identity monitoring at no cost to you for one year. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data. Your identity monitoring services include Credit Monitoring, Fraud Consultation, and Identity Theft Restoration.

Visit <https://enroll.krollmonitoring.com> to activate and take advantage of your identity monitoring services.

You have until <<b2b_text_6 (Activation Deadline)>> to activate your identity monitoring services.

Membership Number: <<Membership Number s_n>>

For more information about Kroll and your Identity Monitoring services, you can visit info.krollmonitoring.com.*

If you prefer to activate these services offline and receive monitoring alerts via the US Postal Service, you may activate via our automated phone system by calling 1-888-653-0511, Monday through Friday, 8:00 a.m. to 5:30 p.m. Central Time, excluding major U.S. holidays. Please have your membership number located in your letter ready when calling. Please note that to activate monitoring services, you will be required to provide your name, date of birth, and Social Security number through our automated phone system.

For More Information

We sincerely regret this incident occurred and for any concern it may cause. We understand that you may have questions about it beyond what is covered in this letter. If you have additional questions, please call 1-855-541-3550, Monday through Friday from 8:00 a.m. to 5:30 p.m. Central Time, excluding major U.S. holidays. Please have your membership number ready.

Sincerely yours,

Michael Sullivan, President and CEO



TAKE ADVANTAGE OF YOUR IDENTITY MONITORING SERVICES

You have been provided with access to the following services from Kroll:

Single Bureau Credit Monitoring

You will receive alerts when there are changes to your credit data—for instance, when a new line of credit is applied for in your name. If you do not recognize the activity, you'll have the option to call a Kroll fraud specialist, who will be able to help you determine if it is an indicator of identity theft.

Fraud Consultation

You have unlimited access to consultation with a Kroll fraud specialist. Support includes showing you the most effective ways to protect your identity, explaining your rights and protections under the law, assistance with fraud alerts, and interpreting how personal information is accessed and used, including investigating suspicious activity that could be tied to an identity theft event.

Identity Theft Restoration

If you become a victim of identity theft, an experienced Kroll licensed investigator will work on your behalf to resolve related issues. You will have access to a dedicated investigator who understands your issues and can do most of the work for you. Your investigator will be able to dig deep to uncover the scope of the identity theft, and then work to resolve it.

*Kroll's activation website is only compatible with the current version or one version earlier of Chrome, Firefox, Safari and Edge. To receive credit services, you must be over the age of 18 and have established credit in the U.S., have a Social Security number in your name, and have a U.S. residential address associated with your credit file

OTHER IMPORTANT INFORMATION

Obtain and Monitor Your Credit Report. We recommend that you obtain a free copy of your credit report from each of the three nationwide credit reporting agencies once every 12 months by visiting <http://www.annualcreditreport.com>, calling toll-free 877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. You can access the request form at <https://www.annualcreditreport.com/requestReport/requestForm.action>. Alternatively, you can elect to purchase a copy of your credit report by contacting one of the three national credit reporting agencies. The three nationwide credit reporting agencies' contact information are provided below to request a copy of your credit report or general identified above inquiries.

Equifax (888) 766-0008 P.O. Box 740256 Atlanta, GA 30374 www.equifax.com	Experian (888) 397-3742 P.O. Box 2104 Allen, TX 75013 www.experian.com	TransUnion (800) 680-7289 P.O. Box 1000 Chester, PA 19016 www.transunion.com
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Security Freeze (also known as a Credit Freeze). Following is general information about how to request a security freeze from the three credit reporting agencies. While we believe this information is accurate, you should contact each agency for the most accurate and up-to-date information. A security freeze prohibits a credit reporting agency from releasing any information from a consumer's credit report without written authorization. However, please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, credit, mortgages, employment, housing, or other services. In addition, in some states, the agency cannot charge you to place, lift or remove a security freeze. There might be additional information required, and as such, to find out more information, please contact the three nationwide credit reporting agencies (contact information provided below).

Equifax Security Freeze P.O. Box 105788 Atlanta, GA 30348 https://www.equifax.com/personal/credit-report-services/credit-freeze/	Experian Security Freeze P.O. Box 9554 Allen, TX 75013 www.experian.com/freeze	TransUnion Security Freeze & Fraud Victim Assistance Dept. P.O. Box 380 Woodlyn, PA 19094 https://www.transunion.com/credit-freeze
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Consider Placing a Fraud Alert on Your Credit Report. You may want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will stay on your credit file for at least twelve months. The alert informs creditors of possible fraudulent activity within your report and requests that the creditor contact you before establishing any accounts in your name. To place a fraud alert on your credit report, contact any of the three nationwide credit reporting agencies identified above. Additional information is available at <https://www.equifax.com/personal/credit-report-services/credit-fraud-alerts/>

Remain Vigilant, Review Your Account Statements and Notify Law Enforcement of Suspicious Activity. As a precautionary measure, we recommend that you remain vigilant by closely reviewing your account statements and credit reports. If you detect any suspicious activity on an account, we strongly advise that you promptly notify the financial institution or company that maintains the account. Further, you should promptly report any fraudulent activity or any suspected incidence of identity theft to proper law enforcement authorities, including your state attorney general and the Federal Trade Commission (FTC). To file a complaint or to contact the FTC, you can (1) send a letter to the *Federal Trade Commission*, Consumer Response Center, 600 Pennsylvania Avenue NW, Washington, DC 20580; (2) go to [IdentityTheft.gov/databreach](https://www.ftc.gov/databreach); or (3) call 1-877-ID-THEFT (877-438-4338). Complaints filed with the FTC will be added to the FTC's Identity Theft Data Clearinghouse, a database made available to law enforcement agencies.

Take Advantage of Additional Free Resources on Identity Theft. We recommend that you review the tips provided by the Federal Trade Commission's Consumer Information website, a valuable resource with some helpful tips on how to protect your information. Additional information is available at <https://www.consumer.ftc.gov/topics/privacy-identity-online-security>. For more information, please visit [IdentityTheft.gov](https://www.identitytheft.gov) or call 1-877-ID-THEFT (877-438-4338). In addition, a copy of Identity Theft – A Recovery Plan, a comprehensive guide from the FTC to help you guard against and deal with identity theft, can be found on the FTC's website at https://www.consumer.ftc.gov/articles/pdf/0009_identitytheft_a_recovery_plan.pdf.

District of Columbia Residents: You can obtain information from the FTC and the Office of the Attorney General for the District of Columbia about steps to take to avoid identity theft. You can contact the D.C. Attorney General at: 441 4th Street, NW, Washington, DC 20001, 202-727-3400, www.oag.dc.gov. **Iowa residents** may also wish to contact the Office of the Attorney general on how to avoid identity theft by calling 515-281-5164 or by mailing a letter to the Attorney General at: *Office of the Attorney General of Iowa*, Hoover State Office Building, 1305 E. Walnut Street, Des Moines, IA 50319. **Maryland residents** may wish to review the information the Attorney General, who can be contacted at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202, 1-888-743-0023, or visiting www.oag.state.md.us. **Massachusetts residents:** State law advises you that you have the right to obtain a police report. Further, you have the right to obtain a security freeze on your credit report free of charge. A security freeze prohibits a credit reporting agency from releasing any information from a consumer's credit report without written authorization. To request a security freeze be placed on your credit report, please be prepared to provide any or all of the following: your full name, social security number, address(es), date of birth, a copy of a government issued identification card, a copy of a utility bill, bank or insurance information, or anything else the credit reporting agency needs to place the security freeze. Further information regarding credit freezes, including the contact information for the credit reporting agencies, may be found above in section titled "Security Freeze (also known as a Credit Freeze)." **New Hampshire residents** have the right to ask that the three nationwide credit reporting agencies place fraud alerts in their file (as described above) and or request a security freeze (as described above). To place or fraud alert on your file or request the security freeze, please contact three credit reporting agencies identified above. **New Mexico residents,** you have rights pursuant to the Fair Credit Reporting Act, such as the right to be told if information in your credit file has been used against you, the right to know what is in your credit file, the right to ask for your credit score, and the right to dispute incomplete or inaccurate information. Further, pursuant to the Fair Credit Reporting Act, the consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information; consumer reporting agencies may not report outdated negative information; access to your file is limited; you must give your consent for credit. **New York Residents:** You may also contact the following state agencies for information regarding security breach response and identity theft prevention and protection information: New York Attorney General's Office Bureau of Internet and Technology, (212) 416-8433, <https://ag.ny.gov/internet/resource-center> and or NYS Department of State's Division of Consumer Protection, (800) 697-1220, <https://www.dos.ny.gov/consumerprotection>. **North Carolina residents** may wish to review the information provided by the North Carolina Attorney General at www.ncdoj.gov, or by contacting the Attorney General by calling 877-5-NO-SCAM (Toll-free within North Carolina) or by mailing a letter to the Attorney General at *North Carolina Attorney General's Office, Consumer Protection Division*, 9001 Mail Service Center Raleigh, NC 27699. **Oregon Residents:** State laws advise you to report any suspected identity theft to law enforcement, as well as the Federal Trade Commission. You can contact the Oregon Attorney General at: Oregon Department of Justice, 1162 Court Street NE, Salem, OR 97301-4096, (877) 877- 9392, www.doj.state.or.us. **Rhode Island residents** have the right to obtain a police report (if one was filed. Alternatively, you can file a police report). Further, you can obtain information from the Rhode Island Office of the Attorney General about steps you can take to help prevent identity theft. You can contact the Rhode Island Attorney General at: 150 South Main Street, Providence, RI 02903, (401) 274-4400, www.riag.ri.gov. As noted above, you have the right to place a security freeze on your credit report at no charge, but note that consumer reporting agencies may charge fees for other services. **West Virginia residents** have the right to ask that the three nationwide credit reporting agencies place fraud alerts in their file (as described above) and or request a security freeze (as described above). To place or fraud alert on your file or request the security freeze, please contact three credit reporting agencies identified above.